



House Children and Seniors Committee:

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**Overview of Temporary Assistance for
Needy Families (TANF) in Kansas**

Testimony by:

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Testimony of:

Kansas Department for Children and Families (DCF)

Testimony on:

TANF time limits and child welfare

Chairwoman Davis, Vice Chair Gallagher, Ranking Member Ousley and Members of the Committee:

Thank you for the opportunity to provide information regarding the Temporary Assistance for Needy Families (TANF) program and other public assistance programs.

History of TANF:

TANF was created by the Personal Responsibility and Work Opportunity Act also known as the Welfare Reform Act under President Bill Clinton in 1996. The Act allowed for individuals to receive TANF benefits up to 60 months; however, it also gave the states flexibility to change this policy. As President Clinton signed this bill, he stated this act “gives us a chance we haven’t had before to break the cycle of dependency that has existed for millions and millions of our fellow citizens, exiling them form the world of work. It gives structure, meaning and dignity to most of our lives”.

Understanding that employment helps lift a person out of poverty, the Department for Children and Families (DCF) began to make changes to the TANF policy in 2011 that focused on helping remove the barriers to meaningful employment. The HOPE Act shortened the time period for an individual to be on TANF to 36 months with the goal of moving a person away from assistance and into the workforce. To accomplish this, the agency hired 70 staff members across the state dedicated and committed to providing employment services. This is in stark contrast with the previous delivery model in which employment training and job readiness, specifically for clients, was a secondary activity.

Knowing that reducing the time amount on TANF was a significant policy shift, DCF did not make this a permanent policy until six months after it was enacted allowing individuals plenty of time to prepare. In July of 2016, legislation again shortened the period to 24 months, however this policy did not become final until six months after it was implemented allowing clients to prepare.

DCF did more than implement a time limit change. DCF took a holistic view on the best way to serve the clients. DCF adopted a client-centric philosophy. Clients were no longer waiting the 4-6 weeks to see if they have been approved. In addition, prior to the redesign, 5 percent or less of individuals would receive a determination the same day they came into the office for service. Since transitioning, one contact service has

consistently been over 62 percent. This shift in policy appears to be the right one, as clients are quickly being provided the right services.

For instance, the Administration for Children and Families (ACF) regulations place restrictions on the type of activity which is countable e.g. such as limiting the number of individuals in training. While these activities may be helpful for some people in some situations, they may not always lead to the best outcome for all. For this reason, Kansas made the decision to refer clients to the services that was best suited for their personal circumstances. Recipients may struggle to find gainful, consistent, employment and for some an entry level position is a huge step in career laddering. Aside from the value and self-worth often receives when working, the increase in household income and buying power will generally double with an entry level job. Please note that near the end of your handout, DCF has included some success stories from the clients we serve.

When a family is approved for benefits, the average number of months on assistance is approximately 11 months. That is to say, most families transition out of the program before they reach the half-way point of their time limit. Notably, recipients who begin working see an increase in their household income as well as continue to receive transitional and/or support services as they leave TANF. A person entering the workforce after receiving TANF does not produce an income that is static for the rest of their life but, like many other people's experiences, increases with time.

Also, support services are available for TANF recipients who begin work. Services may include transportation, tools, uniforms, safety shoes, licenses, child care, etc. DCF continues to contact clients after they begin work to discuss if they still require these support services. DCF also provides any solutions-based referrals, advocacy and linkage to cope with barriers to self-reliance or act as a stepping stone to the next career opportunity. Four million is spent yearly on these services. A transitional specialist is assigned to those entering work to provide assistance and to provide resources.

TANF clients receive child care subsidy with no benefit reduction for a family share. The enhanced subsidy amount can continue for five months after the recipients begins work. Child care with a sliding scale family share is available with no time limits.

TANF Time Limits and Foster Care:

We understand there has been a lot of discussion trying to link the data between reducing the number of months of TANF and children coming into care. But analyzing data from the recent KidsCount demonstrates this assertion is incorrect. For example, Montana has a 60 month TANF time limits and 86 percent increase in children entering care from 2011 to 2015. Additionally, Connecticut which has a 21 TANF time limit saw a 23 percent decrease in children entering foster care during that same time. It is our belief, there are other significant factors that are causing children to come into care; not TANF time limits. Nationwide, every state has seen a significant increase in the number

of children coming to care. An appendix is attached that highlights some of the Kansas DCF specific data. A report tracking the wages for clients leaving TANF is also included.

DCF continues to review the impact of its changes to the welfare system; however, that said, DCF leadership believes these are the right policies. Thank you for the opportunity to be included in this conversation. I am happy to answer any questions the committee may have.

Appendix

- DCF updated service delivery method to have staff dedicated to employment services in 2013. All 105 counties are served by nearly 70 staff.
- From January 2011 through September 2017, 45,040 new employments were reported by TANF clients.
- September 2017, 331 individuals on TANF reported a new employment. The average hourly wage is \$10.52 per hour and the average hours of employment is 31.7. This is a monthly gross of nearly \$1,483. That is a sharp contrast to the average TANF benefit of \$225 to \$352.
- Kansas was one of only 12 states to meet the federal work participation rate for both overall and two-parent families for 2015. The overall rate rose from 12.8 percent in 2007, to 41.9 percent for 2016. This is an increase of 227 percent.
- The most recent ACF work-related measures for 2014 show Kansas' recipients have a job entry rate of 25 percent, and a job retention rate of 74 percent.
- Recidivism has also been reducing. In 2011, the number of households returning within 12 months was 25 percent. As of August 2017, that number is now at 12.4 percent.
- The percent of employment services recipients employed has risen from an average of 7.10 percent in 2011 to an average of 9.71 through September 2017
- Data shows 71 percent of individuals worked in the last year before leaving TANF
- Less than 9 percent of TANF cases close due to time limits. More than 11.9 percent are granted an extension of the time limits
- It is not harder for people to get benefits. As long as individuals choose to meet the work requirements, there is no additional hurdle to receiving benefits. DCF has actually made it easier on individuals to receive benefits, by issuing benefits cards by mail (so they don't have to come into the office), and by redesigning our business model. Prior to the redesign, less than 5 percent of individuals would receive a determination the same day they came into the office for service. Since transitioning, one-contact service has consistently been over 62 percent
- Progressive and fixed months of ineligibility for not complying with work programs is not new in Kansas. Before 2006 there was a fixed 2 months of ineligibility for

noncompliance. In 2006 a change was made to immediate reinstatement. From 2005 to 2006 the number of children entering foster care rose from 3,119 to 3506

Success Stories of Employment Services Recipients

Success Story 1: Former Felon Gains Dignity and Responsibility

A person on TANF with whom we worked was recently released from prison (he had a felony conviction for a financial crime). He obtained a job at a carwash at \$8.50 an hour as a part-time survival job. The employer kept calling him to work extra shifts, and he would go in while others failed to show up for work. He soon was getting full-time hours. In about three weeks' time, the employer moved him to a different carwash, gave him the responsibility of running it, gave him the keys and alarm codes to the business, and is going to be training him on how to fix the equipment. He is expecting a raise. He continues to receive on-the-job training and transportation payments.

Success Story 2: Single Mother Maintains Stable Employment

A single mother of two daughters applied for assistance in April, after her employment terminated due to a sick child. She was determined to return to employment in customer service and find child care for her child. She was referred to a provider and secured employment for 28 hours a week at \$9.30 per hour after 20 hours of training. The work schedule varied, and child care once again became an issue. She continued to look for more stable employment and started a full-time position at \$11.73 per hour at the local cable provider. This client set a goal to "find a stable job" and was determined to make the right decisions to achieve that goal. Child care assistance helped her obtain that goal.

Success Story 3: Women Receives Assistance to Start New and Promising Job

A client had been attending in-patient rehabilitation treatment long before being in the Employment Services program. She has since graduated out of in-patient and has been attending out-patient treatment for a while. She faithfully attended rehabilitation and was considered job-ready there. She was motivated for a bright future; however, she had limited clothing options (one pair of clothes and heavily worn tennis shoes). The case manager had been coaching her, and her goal was to be able to buy herself some more clothes once she received a few paychecks. A plastics company called and offered her a job for the following week, but she had to show up with steel-toed boots on and ready to go. With the help of DCF staff, she was able to obtain boots, a pair of jeans and three shirts. She started off at 37 hours per week, at \$9.50 per hour, with a raise coming to her after her

probationary period was over. She was excited about bettering herself through this opportunity.

Success Story 4: Women Receives Promotion

The client obtained part-time employment with grocery store while pregnant. She was very anxious as she had just moved, have few family supports and little income. She steadily stayed working after the baby was born and called the worker with the great news she had moved to the deli and received a rise from \$8.25 to \$14.75 at full time 40 hours. She continued to receive assistance during the part time work, received five months of the work incentive payment and support services and then officially had her case close after a year of starting part time employment. She told her worker “she accomplished her goals, has a nice place to live and is looking toward the future for continued success.”

Success Story 5: What a Difference a Year Makes

This individual entered employment services program and was in need of some positivity and guidance on how to accomplish her goals. She wanted to obtain employment and move to a different city in Kansas. She was interested in being a drug and alcohol counselor. She utilized assistance with developing her resume, job searching tips, transportation \$\$, mentoring and interview clothing/shoes. She obtained a career position with a behavioral health facility earning \$11.15 per hour. She received childcare assistance, working clothing, transportation allowance and a work incentive payment. As she approached her 12 month anniversary of beginning employment, she mentioned what a difference a year made in her life. At this time last year she now has funds to provide for her two children and had a happy holiday. Last year she only had \$25 to spend and was shopping at a dollar store for their gifts.

Notes from clients and staff

Thank You so much for all the help, I see and notice how hard you work with others as well and am very impressed with your drive. Sorry i am needing so much gas (as for help with my truck-example) I am having good prospects lately for job offers . You have been THE BEST case worker I have EVER worked with and that have went the extra effort to help me,so I can get back on track for myself and my 2 daughters. You're awesome

Just wanted to let you know that I ran into L. as I went to the store this morning. She said that she is the head trainer now and has been for a year. Job is going

well. Dressed very nice and her car is still doing great! She said that she still loves her job!